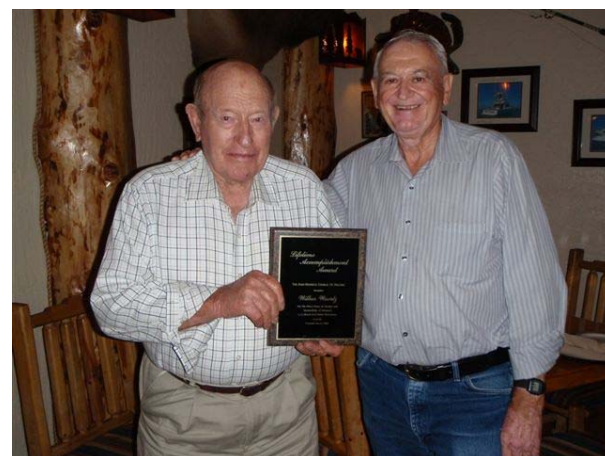




AGRI-BUSINESS COUNCIL OF ARIZONA, INC.

Arizona's Reclamation Representative to the National Water Resources Association
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PRESIDENT'S MESSAGE



ABC PRESIDENT BILL PLUMMER WITH LIFETIME ACCOMPLISHMENT AWARD RECIPIENT WILBUR WUERTZ, AT THE EXECUTIVE COMMITTEE DINNER



ABC EXECUTIVE COMMITTEE MEMBER WADE NOBLE IS THE NEW PRESIDENT FOR NWRA.

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Third/ Fourth Quarter 2010

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The last quarter of 2010 has been a busy one. In August, thirteen Arizona agricultural associations met at the Buttes Resort in Tempe to discuss the future of the Department of Agriculture. Representatives from each association (approximately three each) participated over a day and a half period to discuss and provide consensus on three main topics: 1) to support the Arizona Department of Agriculture's Sunset Review to allow them to continue for another ten years; 2) to discuss the fees structure within the Department and where the authority will reside within the department to establish and regulate fees; and 3) what will be the process (legislation) to move the Office of Pest Management from the Department of Administration to the Department of Agriculture. These three discussion areas were addressed and a consensus reached among the various associations. A final report was produced that is designed to be the template for future legislative and regulatory actions. Each association was asked to provide support for the final report to indicate agreement on the issues and to provide the necessary endorsements for future legislative efforts. The ABC Executive Committee approved a letter of support during the monthly meeting in November. To see the final report, please contact us and we will provide you a copy.

On December 6th, Chris and I traveled to Cd. Obregon, Sonora, to meet with agricultural producers, irrigation districts and academics from the Technological Institute of Sonora (ITSON) to continue to assist in the establishment of the Agribusiness Council of Sonora. ITSON staff provided a great overview of work accomplished thus far. Because there were new representatives at this meeting I discussed how ABC functions and explained the differences between our organizations. I also discussed the relationship between ABC and the NWRA and the Family Farm Alliance. There were some very spirited questions after both presentations. Their efforts to fully establish an ABC Sonora is showing positive results and should continue with University, producers' and irrigation districts' involvement.

We know that 2011 will bring changes in Washington and provide more challenges for all of us. As you know, some of the Senators and Congressmen who have introduced legislation not consistent with our objectives and policies were not reelected last November. On one hand that's good news but on the other hand we have to continue to be vigilant for the revival of or new onerous legislation, policies or regulations that might adversely affect water and agricultural programs. For example, the Environmental Protection Agency's Pesticide General Permit rule making and a similar rule making by ADEQ have language which would change the definition of waters of the U.S. that would have been implemented by legislation introduced by retiring legislators. Other onerous EPA proposed regulations deal with coal-fired power plant emissions which could have a very deleterious effect on future CAP operations and water rates. ABC will be tracking any and all proposals as they arise. Stay tuned and be wary. Have a great and productive 2011.

Bill Plummer
 President

EXECUTIVE DIRECTOR'S REPORT

When I was a kid, I wanted to hurry and grow up and have time speed by. Now that I'm an adult, I want to behave like a kid again and have time slow down. I write this as I witness another year quickly coming to a close. Time does fly!

Speaking of time, we have been very productive with it this year. Agri-Business Council (ABC)

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members have been heavily involved in numerous activities including a successful annual meeting at the Phoenix Zoo and the 19th Annual H2Open golf tournament in Casa Grande, the two major fundraising events that we spotlight during the year. Both the Annual meeting and golf tournament were very well attended this year which means a lot during tough economic times. We appreciate the wonderful support we receive in all its forms, as we organize these events. We are already in planning mode to surpass expectations for next year. Mark your calendars and plan to join us May 20th for our Annual meeting and October 28th for our 20th Annual H2Open Golf Tournament!

ABC has also contributed a great deal of time and energy to a number of other important efforts including the Governor Brewer's 40 member Blue Ribbon Panel (BRP) on Water Sustainability (formed in August, 2009) and the Water Resources Development Commission created by statute during the last state legislative session. ABC members have and will provide meaningful information to the final reports of these projects. In fact, the BRP wrapped up business in November and has produced a final report that is already available at www.azwater.gov. The goal of the BRP is to recommend options to improve statewide water sustainability through increased recycling and water conservation. The goal of the Water Resources Development Commission is to take a look at current and future water demand 25, 50 and 100 years out, by county.

Another important event to mention is the successful National Water Resources Association's (NWRA) annual meeting held in California in November. Many may not know that on top of a great lineup of speakers and topics (see www.nwra.org for more information), our very own Executive Committee member, Wade Noble received the passing of the gavel from current President, Larry Lebieu of California. Wade will take over as NWRA President beginning January 2011 and will serve a two year term. A very nice Presidents' reception was held in Larry and Wade's honor. We look forward to Wade's term in office and know that he will represent the interests of western water and irrigated agriculture in the same manner as did ABC member and recent past NWRA President, John Sullivan. We're in good hands!

While on the topic of NWRA, we hope you will plan to join us next November 16-18, 2011 as we host the NWRA fall annual meeting at the Ventana Canyon Resort in Tucson. We anticipate great attendance and once again a great lineup of speakers, panel discussions, "Inside Washington", entertainment and a stellar awards ceremony to well deserving recipients. Contact our office for more information.

On one final note, we want to let you know that by the time our next newsletter hits your mail box, family friendly ABC will have an addition. Executive Assistant, Anne Prince is expecting a new addition to her family in late January. We look forward to her and her husband Steve sharing their new daughter's time with us.

We hope each of you had a happy holiday season.

Chris Udall
Executive Director

NEW MEMBER

We would like to welcome Joe Blankenship from Natel Energy as the newest member of the Agri-Business Council of Arizona. We are thrilled to have him join us and thank him for helping to make ABC the exceptional organization that it is!

FROM IRRIGATION DROP TO INTERCONNECTED POWER PLANT

Provided by: Joe Blankenship, Natel Energy, Inc

When Natel wanted to build a commercial demonstration of its SLH hydroEngine (SLH), consideration for putting one in an irrigation canal was foremost. Irrigation canals potentially offered lower civil and construction costs than in existing dams and, because of fewer environmental concerns, prospectively quicker permitting through the Federal Energy Regulatory Commission (FERC).

Discussion began with the Buckeye Water Conservation and Drainage District (BWCCD) in 2008 about using a small drop in the South Extension (SE) of the District's canal system. While water flow was sporadic due to agricultural use,

FEED THE HANDS THAT WILL FEED YOU IN THE FUTURE!



Provided By: Tyler J. Grandil, State FFA Executive Secretary

Please support the future of agriculture and the Future Farmers of America (FFA) by purchasing your specialty Arizona Agriculture license plate! You can either go online to servicearizona.com, or visit your closest MVD office to purchase one. The license plates will be available for use on all passenger, Farm/Ranch, and commercial vehicles. You may also personalize and/or get it registered as a disability plate.

Your new license plate costs \$25/year, \$17 of which will be returned to Arizona FFA each year. The funds received will be used to support Agricultural Education programs and FFA chapters in Arizona.

For the better part of a century formalized Agricultural Education courses have been taught in secondary education schools and students have been participating in the FFA. The purpose of the FFA then is the same as it is today—to prepare young people with the necessary skills for premier leadership, personal growth and career success in the industry of agriculture. FFA has a long history and close ties to farmers, ranchers and others who are in and support agriculture.

The special program enacted by the Arizona legislature this year will allow FFA to continue to represent the best traditions of rural Arizona as well as the future of the agriculture industry as provided in part by the FFA. The goal for the license plate allow those who are directly involved as well as those who may only be familiar with agriculture to display their affinity with country living and the true heritage of Arizona.

H2OPEN GOLF TOURNAMENT

Each year, ABC hosts an annual Golf Tournament. This tournament is one of two major fund-raisers the Agri-Business Council holds each year in which the proceeds benefit agriculture in the State of Arizona.

This year, the tournament was held on October 29, 2010 at 9:00am at the Francisco Grande Golf Course in Casa Grande, Arizona. We want to thank all our sponsors, donors, and golfers that made the tournament a huge success. Our event sponsors included: AeroMexico, CAP, ASU-Morrison School of Agribusiness and Management, K.R. Saline & Associates, Western Growers, Pitsch Insurance, and Yuma County Water Users' Association. Thank you so much for making our Tournament a success!

Congratulations to all of our winners and thank you again to all who participated and made this such a fantastic event. We look forward to seeing you on the green next year!

UPCOMING EVENTS

DATE	EVENT	LOCATION
JANUARY 5-6	NWRA LEADERSHIP FORUM	PHOENIX
JANUARY 20-21	EXECUTIVE COMMITTEE MEETING	YUMA
FEBRUARY 18	EXECUTIVE COMMITTEE MEETING	MARICOPA AG CENTER
FEBRUARY 23-25	FAMILY FARM ALLIANCE ANNUAL MEETING	LAS VEGAS
MARCH 18	EXECUTIVE COMMITTEE MEETING	HANK'S LODGE